

ASSEMBLY BILL

No. 822

Introduced by Assembly Member Benoit

February 18, 2005

An act to amend Section 212 of the Labor Code, relating to employment.

LEGISLATIVE COUNSEL'S DIGEST

AB 822, as introduced, Benoit. Employment.

Existing law prohibits the payment of wages by use of various instruments unless they are negotiable and payable in cash, on demand, without discount, at an established place of business in the state.

This bill would make technical, nonsubstantive changes to that provision.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 212 of the Labor Code is amended to
2 read:
3 212. (a) No person, or agent or officer thereof, shall issue in
4 payment of wages due, or to become due, or as an advance on
5 wages to be earned:
6 (1) Any order, check, draft, note, memorandum, or other
7 acknowledgment of indebtedness, unless it is negotiable and
8 payable in cash, on demand, without discount, at some
9 established place of business in the state, the name and address of
10 which must appear on the instrument, and at the time of its

1 issuance and for a reasonable time thereafter, which must be at
2 least 30 days, the maker or drawer has sufficient funds in, or
3 credit, arrangement, or understanding with the drawee for its
4 payment.

5 (2) Any scrip, coupon, cards, or other thing redeemable, in
6 merchandise or purporting to be payable or redeemable otherwise
7 than in money.

8 (b) Where an instrument mentioned in subdivision (a) is
9 protested or dishonored, the notice or memorandum of protest or
10 dishonor is admissible as proof of presentation, nonpayment, and
11 protest, and is presumptive evidence of knowledge of
12 insufficiency of funds or credit with the drawee.

13 (c) Notwithstanding paragraph (1) of subdivision (a), if the
14 drawee is a bank, the bank's address need not appear on the
15 instrument and, in that case, the instrument shall be negotiable
16 and payable in cash, on demand, without discount, at any place
17 of business of the drawee chosen by the person entitled to
18 enforce the instrument.